

Sustainability Standard Setting Bodies

Relevant Green Bond Market Information on Sustainability Standards Form¹

Forms filled in by standard setters should be sent back to greenbonds@icmagroup.org, for publication on the [Green Bond Principles Resource Centre](#).

Section 1. Basic Information

Organization name: Roundtable on Sustainable Palm Oil (RSPO)

Name of sustainability standard:² [specify as appropriate] RSPO Principles and Criteria (P&C)

Completion date of this form: 24 November 2020

Publication date of the standard: [where appropriate, specify if it is an update and add reference to earlier relevant standard] 15 November 2018

Section 2. Detailed review

Standard setters are encouraged to provide the information below to the extent possible and use the comment section to explain the scope of their review.

1. Green Bond Principles (GBP) project categories relevant to the standard

Overall comment on section (if applicable):

The RSPO Principles and Criteria (P&C) are a set of stringent standards for sustainable palm oil production, which RSPO members must comply with. The RSPO P&C cover the most significant environmental and social impacts of palm oil production and the immediate inputs to production, such as seed, chemicals and water, and social impacts related to on-farm labour and community relations. The RSPO P&C apply to all production level companies, i.e. all mills, who do not fall under the definition of independent mill and independent smallholders. RSPO P&C apply to existing plantings, as well as planning, siting, development, expansion and new plantings.

¹ The Form follows the characterisations of Environmental Labelling and Information Schemes as set out in OECD Environment Working Papers No.62 – A characterisation of Environmental Labelling and Information Schemes

² Use separate forms for each standard if multiple standards are set by the same standard setting body and the criteria of those standards differ significantly from one another

GBP³ Project categories that the standard applies to (for additional information on the GBP see appendix 1):

- | | |
|--|---|
| <input type="checkbox"/> Renewable energy | <input type="checkbox"/> Energy efficiency |
| <input type="checkbox"/> Pollution prevention and control | <input checked="" type="checkbox"/> Environmentally sustainable management of living natural resources and land use |
| <input checked="" type="checkbox"/> Terrestrial and aquatic biodiversity conservation | <input type="checkbox"/> Clean transportation |
| <input type="checkbox"/> Sustainable water and wastewater management | <input type="checkbox"/> Climate change adaptation |
| <input type="checkbox"/> Eco-efficient and/or circular economy adapted products, production technologies and processes | <input type="checkbox"/> Green buildings |
| | <input type="checkbox"/> Other (please specify): |

If applicable please specify the environmental taxonomy or category, if other than GBPs:

2. Alignment with relevant international targets, thresholds and guidelines for sustainability

Please explain how alignment with international targets, thresholds and guidelines for sustainability are built into your governance frameworks and standard setting process. A non-exhaustive list of examples includes: ISEAL code compliant, alignment with EU Taxonomy for sustainable activities, Paris Climate Agreement, UN Global Compact, etc.

Please explain (if applicable):

Firstly, in line with ISEAL Alliance best practices, the P&C are reviewed every five years and subsequently submitted for ratification by the General Assembly of RSPO. The review process went beyond ISEAL best practices, including two public consultation periods of 60 days each and 17 physical consultation workshops in 10 countries around the world, as well as six physical Task Force meetings. This process resulted in the production of the revised and restructured RSPO Principles and Criteria for Sustainable Palm Oil Production (RSPO P&C 2018).

The RSPO and its members recognise, support and commit to following the United Nations Universal Declaration of Human Rights [<http://www.un.org/en/documents/udhr>] and the International Labour Organization (ILO)'s Declaration on Fundamental Principles and Rights at Work [<http://www.ilo.org/declaration/lang-en/index.htm>].

³ <https://www.icmagroup.org/green-social-and-sustainability-bonds/green-bond-principles-gbp/>

The RSPO refers to key international laws and conventions applicable to the production of palm oil which is seen in Annex 3 of the RSPO P&C 2018. To name a few: United Nations Convention against Corruption, UN Convention on Biological Diversity 1992, and UN Declaration on the Rights of Indigenous People.

RSPO continues to support the United Nations Global Compact and its ten principles in the areas of Human Rights, Labour, Environment and Anti-Corruption.

3. Main Characteristics (please choose all options that apply to the standard)

Governance

a. Leadership or ownership *(What type of institution runs the standard?)*

- | | |
|--|---|
| <input type="checkbox"/> For-profit | <input type="checkbox"/> Public |
| <input checked="" type="checkbox"/> Non-profit | <input type="checkbox"/> Hybrid (please provide more details below) |
| <input type="checkbox"/> Non-governmental | <input checked="" type="checkbox"/> Membership based |
| <input checked="" type="checkbox"/> Multistakeholder | <input type="checkbox"/> Other <i>(please specify)</i> : |

b. Standard scheme management

- | | |
|---|--|
| <input checked="" type="checkbox"/> The scheme owner has a sustainability-oriented mission or vision | <input checked="" type="checkbox"/> The scheme owner has defined and makes publicly available its desired long-term sustainability impacts and strategy for achieving those impacts |
| <input checked="" type="checkbox"/> Stakeholders have an opportunity to provide input on the intended sustainability impacts and possible unintended effects of the standards system | <input checked="" type="checkbox"/> On a regular basis, the scheme owner monitors and evaluates progress towards its sustainability impacts and accurately and publicly communicates the results |
| <input checked="" type="checkbox"/> The scheme owner applies adaptive management by using the learning from monitoring and evaluation to improve its standard and supporting strategies | <input checked="" type="checkbox"/> The scheme owner carries out internal or external audits of its management system and operations at least annually and incorporates the findings |
| <input checked="" type="checkbox"/> The scheme owner makes information on the governance structure and income sources or financing structure of the scheme publicly available | <input checked="" type="checkbox"/> Stakeholders have the possibility to participate in or provide formal input on the governance of the scheme |
| <input checked="" type="checkbox"/> The scheme is registered under ISEAL membership | |

c. Standard-setting characteristics

☒ Documented procedures for the process under which each standard is developed or revised form the basis of the standard setting process

☒ A regular review of the standard setting procedures is conducted (at least every 5 years)

☒ Participation in governance bodies making decisions on the content of the standard are constituted by a balance of key stakeholders

☒ Participation in governance bodies making decisions on the content of the standard are limited to members, but the procedure for becoming a member is transparent and non-discriminatory

☒ Documented procedures for the process under which each standard is developed or revised shall be made available to stakeholders, at a minimum through the organisation's website

☒ A regular review of the standard is conducted (at least every 5 years)

☐ Participation in governance bodies making decisions on the content of the standard are open to all stakeholders

☐ Other (*Please specify*):

Sustainability Claims and Communications

a. Communication Channel (*Who is using the standard to communicate, and who is the target of that communication?*)

Communication from:

☒ Business (excluding financial institutions)

☐ Government

☒ Bank

☐ Insurance Company

☐ Development Bank

☒ Investor

☐ Asset owner (e.g. Building)

☒ NGO

☐ Other (*please specify*):

Communication to:

☒ Business (excluding financial institutions)

☒ Government

☒ Bank

☐ Insurance Company

☐ Development Bank

☒ Investor

☐ Asset manager (e.g. Building)

☒ Consumer

☐ Other (*please specify*):

b. Means of communication (*What is the mode of communication to the target audience?*)

☐ Seal(logo)

☐ Declaration

☒ Certificate

☒ Trademark

☐ Exception

☐ Other (*please specify*):

c. Communication scope (*What activities are covered by the communication?*)

☒ Agriculture and food

☐ Furniture

☐ Timber forest products

☐ Non-timber forest products (rubber, cork, bamboo)

☐ Paper, packaging

☒ Cleaning products

☐ Textile products

☐ Energy

☐ Transportation

☐ Tourism

☐ Transportation

☐ Tourism

- ☒ Biofuels
- ☐ Electronics
- ☒ Cosmetics
- ☐ Building materials
- ☐ Waste
- ☐ Ecosystem Services

- ☐ Luxury Products
- ☐ Sustainable Sites & Locations
- ☐ Water
- ☐ Indoor Air Quality/Health
- ☐ Other (*please specify*):

Standard Characteristics

a. Monitoring and auditing⁴ (*Who has the ability to determine whether the standard is met and what degree of independence exists?*)

- | | |
|---|---|
| <input type="checkbox"/> Standard setter | <input type="checkbox"/> External certifier |
| <input type="checkbox"/> Self-assessment | <input type="checkbox"/> Second party verifier |
| <input checked="" type="checkbox"/> Accredited third party certifier/verifier | <input type="checkbox"/> Other (<i>please specify</i>): |

b. Adoption of the standard (*To what extent are relevant organizations required to apply the standard?*)

- | | |
|---|---|
| <input checked="" type="checkbox"/> Voluntary | <input type="checkbox"/> Mandatory (<i>please explain</i>): |
| | <input type="checkbox"/> Other (<i>please specify</i>): |

c. Sustainability characteristics

- | | |
|---|--|
| <input checked="" type="checkbox"/> Environmental outcomes are clearly and explicitly defined in the standards | <input checked="" type="checkbox"/> The standard exceeds regulatory requirements |
| <input checked="" type="checkbox"/> The standard references relevant, existing national and/or international laws and regulations | <input type="checkbox"/> Other (<i>please specify</i>): |

d. Transparency (*To what extent is relevant information publicly available?*)

- | | |
|--|--|
| <input checked="" type="checkbox"/> Final versions of the standard available to the public | <input checked="" type="checkbox"/> Draft version of the standard available to the public |
| <input checked="" type="checkbox"/> Public disclosure on standard setting process | <input type="checkbox"/> Public disclosure on assessments of compliance with the standard |
| <input type="checkbox"/> Public disclosure of compliance by standard user | <input checked="" type="checkbox"/> Public disclosure on those complying with the standard (organizations and the level/type of compliance achieved) |

⁴ Whom has the ability to determine whether the standard is applied?

☒ Final versions of the standard in additional languages are available to the public

☐ Other (please specify):

e. Methods of environmental assessment (How comprehensive is the standard in accounting for environmental impact?)

☐ Life cycle approach (please specify which environmental goals)

☒ Operating/process/practice approach (please specify which environmental goals):
i) Plans to reduce pollution and emissions, including greenhouse gases (GHG), are developed, implemented and monitored and new developments are designed to minimise GHG emissions
ii) A water management plan is in place and implemented to promote more efficient use and continued availability of water sources and to avoid negative impacts on other users in the catchment.

☒ Performance based or impact approach (please specify which environmental goals):
i) No new planting on peat regardless of depth after November 2018
ii) Fire is not used in preparing land and is prevented in the managed area.

☐ Other (please specify method and which environmental goals it applies to):

Please explain any requirements to embed mechanisms/tools for future reporting, requirements to report on selected criteria and reporting scope, as well as the environmental goals being assessed:

RSPO grower members are required to estimate and monitor GHG emissions from existing plantations and new developments using the 'PalmGHG Calculator' and 'New Development GHG Calculator' respectively. In December 2018, PalmGHG v4 was introduced with improvements to the report submission process, and flexibility of both online and offline versions for plantations with poor network connectivity.

GeoRSPO, an interactive mapping platform featuring concession maps submitted by RSPO grower members was developed. The platform comes with powerful analytical tools for statistical and geospatial analysis. The data indicated in the map is crucial to ensure greater transparency in the Impacts Report which includes the monitoring of the overall positive impact of compliance to the regulations set within the RSPO P&C.

It is mandatory for RSPO Ordinary and Affiliate members to submit an Annual Communication of Progress (ACOP) which gauges their progress towards 100% RSPO-certified sustainable palm oil. These reports are then published on the RSPO website to ensure transparency.

f. Resolving complaints

☒ The standard-setting organization shall make impartial and documented efforts to resolve procedural complaints related to standard-

☒ The standard-setting organization shall disclose, at least to interested parties, decisions taken on procedural complaints

setting, based on a publicly document complaints resolution mechanism

☐ Other (please specify):

g. Standard focus (To what type of processes do the standards apply?)

☒ Product related process and production methods (please specify): Growing oil palm, processing, refining, trading palm oil and manufacturing products containing palm oil.

☐ Non product related processes and production methods (please specify):

☐ Services (please specify):

☐ Other (please specify):

h. Standard scope:

☒ International

☐ Regional

☐ National

☐ Jurisdictional

☐ Other (Please specify):

i. Activities beyond certification:

☒ Platform for discussion and collaboration amongst members and certified entities

☐ Platform for discussion and collaboration amongst other standards addressing the same sector/activity/topic

4. Alignment with Sustainable Development Goals (please choose all options that apply to the standard)

Overall comment on section (please rank the SDGs by level of contribution of the standard and specify the scale of contribution to each of the relevant SDGs):

Highest level of contribution of the standard is SDG 12 followed by SDG 17.

SDG 12 -> RSPO prides itself by encouraging companies to adopt sustainable practices when it comes to the production, processing and manufacturing of palm oil and its products and to integrate sustainability information into their reporting cycle. RSPO has also developed tools to monitor sustainable development impacts.

SDG 17 -> RSPO understands the importance of partnerships and cooperation. Hence, RSPO has signed a few MoUs with organisations such as World Association of Zoos and Aquarium (WAZA) and Global Green Growth Institute (GGGI) in order to move the sustainable agenda forward.

☐ SDG 1

☐ SDG 2

☐ SDG 3

☐ SDG 4

☐SDG 5

☐SDG 6

☐SDG 7

☐SDG 8

☐SDG 9

☐SDG 10

☐SDG 11

☒SDG 12

☐SDG 13

☐SDG 14

☐SDG 15

☐SDG 16

☒SDG 17

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